

**Remarks Given by
Lieutenant Governor Becky Skillman to the
Builders' Association of Greater Indianapolis
October 11th, 2007, Indianapolis, Indiana**

I've had the privilege of speaking to the statewide Builder's Association a time or two. It's always nice to spend time with a group of people who are so invested in the economic health of our state. And, on a personal note, it's nice to see the people who are responsible for one of my favorite events – the Home-A-Rama! My sister and I make it a point to attend that event every year – even with our busy schedules.

I'm proud of the work the Builders do to keep Indiana moving forward, and I hope I can bring you some encouragement today about how state government is making progress as well.

I've done a lot of traveling the state as Lt. Governor. I like to think of it as taking state government on the road. I look forward to those days when I can get out in my Chevy Tahoe runs on 85% corn ethanol. And we got it on loan from GM to help promote a great homegrown energy.

Driving around in a car wrapped with a corn mural and an Indiana state flag is pretty conspicuous. But it's a great educational tool to teach Hoosiers about the benefits of biofuels. Quite frankly, it's a great ride! It's a nice upgrade from the government issued navy blue sedans with no hubcaps – we are, after all, a frugal administration.

But I believe it's thanks, in part, to our frugality that Indiana is witnessing a revitalization. There's a growing sense that our economic stagnation has been replaced with growth spurts and progress. That's certainly true here in the Indianapolis area, where we seem to make new economic development announcements every week! The Indianapolis area has had its fair share of competitive deals, partnering with the state, and I want to thank you for the role you've played in securing new investments here.

ECONOMIC DEVELOPMENT

We're doing our part in state government to achieve an economic comeback, but we would be far less successful if partners like you weren't on board and working hard.

Here in Indy, we just announced a big expansion at the Major Tool company, where new high-tech jobs are being added. Thanks to the help of the state's Brownfields Redevelopment program, Major Tool is expanding on land that was once thought to be useless.

The company worked in partnership with the city and state on their expansion, and is turning a vacant site into profitable real estate. And, by choosing to locate where they did, the company has effectively freed up other potential properties for further development. The partnership between public and private sectors certainly produced a win-win situation here. It's a great example of what we can do when we work together, rather than at odds with each other.

Success stories like Major Tool just go to show what the private sector can do when motivated to succeed. State government can only do so much. We really only have the power to make your jobs easier. Individuals like you, with plans for growth, are the hands and feet of progress. If your hands are tied, we'll go nowhere.

I hope you see state government as a helping hand to your work. We want to partner with you to achieve success.

In a highly competitive market, we're doing our best to ensure that Hoosiers are getting their share of opportunity.

I heard a story once about a business man who owned a profitable shop. He was pretty upset when someone else opened a very similar store right next door and put up a huge sign that read, "Best Deals!"

Not long after, another similar business opened up on the other side of him and put up another huge sign that read, "Lowest Prices!"

He was pretty discouraged at first, but not to be outdone, the witty business man put up a big sign on his own shop that read "Main Entrance."

Hoosiers are more than competitive – they're smart. And business in Indiana is thriving because we have a combination of good policy and motivated business people. That's why we're winning nine out of ten when we compete with other states for new jobs. That's why we're sealing a dozen economic development deals every month. And that's why our

unemployment numbers are the lowest in the Midwest and the lowest we've seen for six years (since September 2001).

Considering that the 22,500 new jobs announced in 2006 from deals closed and 12,000 new jobs announced so far in 2007, and none of those jobs are here yet, it bodes well for the future. And we're constantly looking for ways to improve on that. And I think we all know that when people have jobs - they buy houses! (pause).

FORECLOSURE

But even with the growth we've seen and the new jobs coming in, Hoosiers continue to face foreclosure problems. During the last legislative session, we focused on foreclosure prevention, and we've funded some good programs. We want people to recognize the signs and take action before it's too late. And I'm proud to tell you that the first program will launch later this month.

Indiana's rate of home loans in foreclosure is well over double the national rate. With the job loss Indiana has experienced in earlier years, especially in the manufacturing sector, those numbers are unfortunately pretty normal.

The costs of foreclosure are not limited to the private transaction between a lender and a borrower. Just one foreclosure in Indianapolis reduces the property tax base by nearly \$300,000 in a single neighborhood. Those are assets that could have sent a child to college or provided a more comfortable retirement. Preventing one foreclosure in Indiana can save nearly \$60 thousand in costs for the homeowner, financial institutions, local government, and neighboring homeowners.

That's why we commissioned the Center for Urban Policy to analyze foreclosures across the state. We've found a clear pattern that starts in Indianapolis and runs up through the I-69 manufacturing corridor to Ft. Wayne and across the other urban communities in northern Indiana.

Thanks to input from leaders like you, we were able to craft good legislation that is now law. We're establishing a public awareness campaign, a telephone hotline, and a local network of trusted advisors. This program closely follows successful prevention programs from other states.

TRADE MISSIONS

The Governor and I are determined to pursue every opportunity for Hoosiers to thrive and grow. That has taken the form of foreclosure assistance, aggressive economic development and on occasion, overseas trade missions.

I know many of you share our global perspective on economic development. We've made our commitment to new trade partners pretty clear since we assumed office. You may have noticed the multiple trips we've taken abroad to expand business opportunities for Hoosiers.

I've led trade missions to Central America, Guatemala, Costa Rica, Panama, Taiwan and Vietnam, and the Governor just came back from his 3rd trip to Japan. Every trip we've taken has opened doors for Hoosiers. This time, six competitive projects are likely to come to Indiana due to the Governor's pursuit of opportunity. One of those projects is a new plant that will bring at least 300 new jobs. Of course, I can't say when or where yet, but it's coming!

We travel abroad because we know – as you do – that business is only as big as you make it. We want Indiana's businesses to be able to compete in the global market. We're doing all we can to put our best foot forward and find new opportunities for all Hoosiers.

GRANTS

Beyond tax incentives and business, state government can be a partner by providing grants for community projects. When I travel into a community, I am always curious about the total number of grant dollars that flow here from the Lt. Governor's agencies

I have a ready remembrance of some, but not all. In the Greater Indianapolis area, I know that more than 76 million dollars in grants have been awarded since 2005, when we assumed office. And that money is just from the five agencies under the direct oversight of the Lt. Governor's office. This is separate from any incentives for job attraction and creation. These dollars came through Planning grants, Housing Finance, Neighborhood Assistance Program tax credits, Individual Development Accounts, Weatherization, Energy grants, and Recycling grants. All of these funds are competitive, so I applaud community leaders for making a great case for the dollars.

PROPERTY TAXES

There are a lot of good things going on in Indiana these days, but they're being overshadowed by one larger issue – what I like to call a perfect storm of events. Property taxes have captured the attention of more citizens than any issue I remember in recent history. We have our work cut out for us. The Governor and I see this as possibly the greatest challenge of our term in office. But I am confident we will find the right solution.

We believe this is a defining moment for Indiana. This is a moment when we can choose to continue the status quo, though we all know where that has gotten us, OR we can choose to adapt.

There are so many places where tax dollars are spent, as you know. Local governments, townships, libraries, solid waste districts, schools, and there are levels of government that have been in place for generations. We live in the 21st century, but the structure of some of our government still reflects a 19th century perspective. We owe it to ourselves and to the generations coming after us, to find the right fix and find it soon.

The governor will be announcing a proposal soon to deal with our perfect storm. We are trying to craft a plan that makes it better for the taxpayers, and those who are on the front lines of providing local government services.

In the meantime, the Governor has also formed a Blue Ribbon Commission on Local Government Reform, including schools. The commission is chaired by former Governor Joe Kernan, and Chief Justice of the Supreme Court, Randall Shepherd – two statesmen who want only the best for Hoosiers. Their report will come by the end of the year, and will help shape our proposals.

This debate is far from over. I know it's having a profound affect on the work you are doing. I expect the legislature to spend a great deal of the upcoming session dealing with property taxes. There is a solution out there, and we believe we have the momentum we need to affect real change.

CONCLUSION

This debate will likely continue for some time and may consume the bulk of discussion in 2008 legislative session, but that doesn't mean the work of economic development will take a back seat. As we look for solutions, we will keep moving ahead as well.

You and your organization are uniquely equipped to do that. When you take on the work of forward motion, you're doing something that not just any one can do. You have the desire and the resources to create economic opportunity. Your ventures – sometime adventures – make us prosper and bring us jobs!

So thank you for taking on that role. Economic development is ultimately in your hands. You are the people who care about the future of our communities, and the future of our state. That's the real reason our state will see a complete economic comeback.

Thanks for all you do – Thanks for having me here today.